

LAW OFFICES OF
SULLIVAN, GREGG AND HORTON
14 CHURCH STREET
NASHUA, NEW HAMPSHIRE 03060
TELEPHONE 603-882-9716

RECORDATION NO. 10151-A Filed 1425

FEB 26 1979-2 00 PM

INTERSTATE COMMERCE COMMISSION

HUGH GREGG
OF COUNSEL

JAMES L. SULLIVAN
SHERMAN D. HORTON, JR.
J. JEFFERSON DAVIS
JUDD GREGG
FRANCIS L. CRAMER

February 12, 1979

James L. Sullivan, Jr.

Mr. H. Gordon Homme, Jr.
Acting Secretary
Interstate Commerce Commission
Washington, D.C. 20423

RECORDATION NO. 10151 Filed 1425

FEB 26 1979-2 00 PM

INTERSTATE COMMERCE COMMISSION

Fee \$ 50.00 INTERSTATE COMMERCE COMMISSION

CC Washington, D. C.

Dear Mr. Homme:

We have been asked to record with the Interstate Commerce Commission the enclosed Security Agreement for Indian Head National Bank of Nashua. Pursuant to Section 20c of the Interstate Commerce Act, as amended, and regulations thereunder, we enclose for filing or recording three executed counterparts of a Security Agreement dated February 14, 1979 between Edith G. Carter, Debtor, and Indian Head National Bank of Nashua, Secured Party.

The names and addresses of the parties in the transactions are as follows: Edith G. Carter of 4 Elliott Street, Nashua, New Hampshire 03060 and Indian Head National Bank of Nashua at 146 Main Street, Nashua, New Hampshire 03060.

The Equipment covered by the Security Agreement consists of ten (10) 50-foot, 6-inches, 70-ton general purpose boxcars bearing identifying numbers NSL 155390-NSL 155399, inclusive.

The above identified documents have not been previously recorded with the Interstate Commerce Commission. Please accept for recordation two counterparts of the document, stamp the remaining counterpart with the appropriate recordation number and return it with your confirmed receipt to Mr. Bruce N. Johnstone, Senior Vice President, Indian Head National Bank of Nashua, 146 Main Street, Nashua, New Hampshire 03060.

The filing and recordation fees in the amount of \$50.00 are submitted herewith.

Sincerely,

J. Jefferson Davis

RECEIVED

FEB 26 1 57 PM '79

I.C.C.

FEE OPERATIONS

cc: Mr. Bruce N. Johnstone
JJD/lg
#23,898
Enc.

RECEIVED
FEB 21 1979
COMMUNICATIONS SECTION
U.S. DEPARTMENT OF COMMERCE

Interstate Commerce Commission

Washington, D.C. 20423

2/28/79

OFFICE OF THE SECRETARY

Mr. Bruce N. Johnstone
Senior Vice Pres.
Indian Head Natl. Bank of Nashua
146 Main St.
Nashua, New Hampshire 03060

Dear Sir:

The enclosed document(s) was recorded pursuant to the
provisions of Section 20(c) of the Interstate Commerce Act,

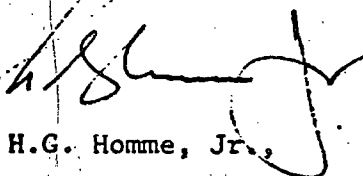
49 U.S.C. 20(c), on 2/26/79

at 2:00pm

and assigned recordation number(s)

10151, 10157-A, 10157-B

Sincerely Yours,



H.G. Homme, Jr.,

Secretary

Enclosure(s)

SE-30-T
(2/78)

FEB 26 1979 - 2 00 PM

INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT

THIS AGREEMENT made this 14th day of February, 1979, by and between EDITH G. CARTER of 4 Elliott Street, Nashua, County of Hillsborough and State of New Hampshire, (hereinafter called DEBTOR), and INDIAN HEAD NATIONAL BANK OF NASHUA, a corporation duly organized under the laws of the United States of America and having its principal place of business at 146 Main Street, Nashua, County of Hillsborough and State of New Hampshire (hereinafter called SECURED PARTY);

W I T N E S S E T H :

WHEREAS: DEBTOR desires to borrow from SECURED PARTY the sum of Three Hundred Forty-five Thousand One Hundred and no/100ths Dollars (\$345,100.00), for the purpose of purchasing boxcars, more particularly described in Exhibit A annexed hereto; and

WHEREAS, SECURED PARTY is willing to lend DEBTOR the sum of Three Hundred Forty-five Thousand One Hundred and no/100ths Dollars (\$345,100.00), subject to the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the covenants set forth below, and of the advances as made and other good and valuable consideration, it is agreed as follows:

I. LOAN: SECURED PARTY agrees that it will lend to DEBTOR the sum of Three Hundred Forty-five Thousand One Hundred and no/100ths Dollars (\$345,100.00) as evidenced by a note containing the terms and covenants, and in the form annexed to this Agreement as Exhibit B.

II. AFFIRMATIVE COVENANTS: DEBTOR agrees that

A. She will pay to SECURED PARTY the principal amounts and interest as provided in the note in the form annexed hereto as Exhibit B, according to its tenor.

B. She will promptly reimburse SECURED PARTY for all charges, expenses, legal fees incurred by SECURED PARTY in connection with the making and administration of the loan and this Security Agreement, not to exceed in aggregate the sum of Two Thousand and No/100ths Dollars (\$2,000.00).

C. She will promptly reimburse SECURED PARTY for all damages sustained by any breach of warranty or covenant of DEBTOR herein, whether expressed or implied; also all attorneys' fees, court costs, collection charges, accountants' fees, and all other costs and expenses which may be incurred by SECURED PARTY, whether directly or indirectly to enforce any provisions of this Agreement, either as against DEBTOR, or guarantor or in the prosecution of any proceeding arising from efforts of SECURED PARTY to recover money or other things of value or the enforcement of any rights or remedies under this Security Agreement as the same may from time to time be amended.

D. She will promptly and from time to time pay and discharge all taxes, charges and assessments which may be or shall be levied, charged or assessed on or against her or any of her property, or any part thereof, or on or against the income and profits thereof, before they become delinquent; and pay and discharge all lawful claims and demands which, if unpaid, might by law become a lien or charge on her property.

E. She will provide and maintain or cause to be provided and maintained hazard insurance, fire and extended coverage on all her property, including the collateral described in III. below, in such amounts and for such other coverages as shall be satisfactory in all respects to SECURED PARTY, naming SECURED PARTY as loss payee, as its interests may appear.

III. SECURITY INTEREST: DEBTOR, to secure the payment of the note in the form annexed hereto as Exhibit B, and to secure the payment of all sums required by, and the performance of all covenants contained in this Agreement, hereby grants to SECURED PARTY a security interest in the following:

A. Ten (10) 50-foot, 6-inch, 70-ton general purpose unequipped Type XM boxcars being more particularly described in Exhibit A annexed hereto.

B. All DEBTOR's contract rights and proceeds therefrom arising from two contracts, to wit:

1. MANAGEMENT AGREEMENT, dated as of December 29, 1978, between National Railway Utilization Corporation and DEBTOR, a copy of which is annexed to a Security Agreement between DEBTOR and SECURED PARTY dated December 29, 1978 as Exhibit C, as the same may be amended.
2. FINANCIAL SERVICES AGREEMENT, dated December 29, 1978, by and between Orchard Capital Management, Inc. and DEBTOR, a copy of which is annexed to a Security Agreement between DEBTOR and SECURED PARTY dated December 29, 1978 as Exhibit D, as the same may be amended.

DEBTOR shall execute and deliver to SECURED PARTY financing statements and such other documents covering the collateral in which SECURED PARTY is granted a security interest in forms appropriate for filing in such number and at such times as SECURED PARTY may request.

IV. WAIVER: DEBTOR hereby expressly waives presentment, demand, protest, notice of default, non-payment, partial payment and all other notices and formalities, consents to and waives notice of granting indulgence or extensions of time of payment, the taking or releasing of security, all in such manner and at such time or times as SECURED PARTY may deem advisable. No act or omission of SECURED PARTY shall in any way impair or affect any of the indebtedness or liabilities of DEBTOR to SECURED PARTY, or rights of SECURED PARTY in any security. No delay or omission by SECURED PARTY, its successors or assigns, to exercise any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any

other right, power or remedy which SECURED PARTY might otherwise have; and no indulgence given to DEBTOR in case of any default shall impair any such right, power or remedy or be construed as a waiver of any default by DEBTOR or any acquiescence therein, or as a variation or waiver of any of the terms or provisions of this Agreement.

V. CONDITIONS TO LOAN AND COVENANTS: DEBTOR hereby further covenants and agrees that she will:

A. At the time of the making of the loan under this Security Agreement or in a reasonable time thereafter deliver to SECURED PARTY:

1. Executed copies of the Certificates of Acceptance required under the provisions of paragraph 3.(a) of the Management Agreement above referenced.

2. A copy of the certificate evidencing the liability insurance coverage pursuant to paragraph 4.(e) of the Management Agreement, above referenced.

3. Evidence of all risk casualty insurance mentioned in paragraph 4.(e) and elected in paragraph 21.(a) of the Management Agreement, above referenced.

4. An executed copy of the Optional Boxcar Maintenance Agreement between National Railway Utilization Corporation and DEBTOR which DEBTOR shall elect under the provisions of paragraph 21.(c) of the Management Agreement.

5. Copies of the Bill or Bills of Sale whereby she received title to the boxcars described in Exhibit A annexed hereto.

B. Promptly notify SECURED PARTY in writing of any default under this Security Agreement.

C. Promptly notify SECURED PARTY in writing of any litigation brought against her not covered by appropriate insurance.

VI. SET OFF: DEBTOR hereby agrees that upon notice of issue of any

legal process by any court of competent jurisdiction by which process any of her assets in the hands of SECURED PARTY may be trustee, garnished or levied upon, SECURED PARTY is authorized to and may at its sole discretion apply said assets to the balance owed by DEBTOR to SECURED PARTY whether or not such balance may then be due and owing.

VII. DEFAULT: Each of the following shall constitute an EVENT OF DEFAULT under this Security Agreement:

A. Any failure on the part of DEBTOR to perform or observe any of the covenants or agreements as provided herein, which default continues for ten (10) days after written notice of specific default from SECURED PARTY to DEBTOR;

B. Non-payment within ten (10) days after due date of accrued interest, or any required principal payment or payments or of any fee or other charge under this Security Agreement; or

C. Any representation or warranty made by DEBTOR herein, or any statements, certificates or instrument delivered hereunder proving in SECURED PARTY's opinion to be untrue or defective in any material respect, PROVIDED, HOWEVER, any such untruth or defect which, in the sole and uncontrolled discretion of SECURED PARTY have been made without fraudulent intent, shall not be an EVENT OF DEFAULT if cured by DEBTOR on demand; or

D. Any act of bankruptcy taken by or against DEBTOR, whether voluntary or involuntary; or

E. Any appointment of a trustee or receiver or assignee for the benefit of creditors, filed by or against DEBTOR, or petition in bankruptcy under the Bankruptcy Act, or any act without prior written consent of SECURED PARTY which involves an extension of time for payments or compromise of indebtedness of DEBTOR.

F. Failure to satisfy any judgment rendered against DEBTOR by any court of competent jurisdiction.

IN THE EVENT OF SUCH DEFAULT, and at any time thereafter or at such other time as herein agreed, SECURED PARTY may declare all obligations secured hereby immediately due and payable, and shall have the remedies of a secured party under the Uniform Commercial Code as enacted in the State of New Hampshire and any remedies which it may have under federal law, or regulations of the Interstate Commerce Commission, or under any other law; SECURED PARTY may require DEBTOR to assemble the collateral and make it available to SECURED PARTY at a place to be designated by SECURED PARTY, which is reasonably convenient to both parties. SECURED PARTY may commence to collect or continue to collect amounts due under contract rights which are collateral hereunder and take control of any proceeds as hereinbefore provided. SECURED PARTY will give DEBTOR reasonable notice of the time and place of any public sale thereof or of the time at which any private sale or any other intended disposition is to be made. The requirements of reasonable notice shall be met if such notice is mailed postage prepaid to the address of DEBTOR as herein stated, not less than five (5) days before the time of sale or disposition. Expenses of retaking, holding, preparing for sale, selling or otherwise disposing shall include SECURED PARTY's reasonable attorneys' fees and legal expenses.

X. MISCELLANEOUS: DEBTOR further agrees that:

A. The rights conferred upon SECURED PARTY by this Security Agreement will automatically extend to and be vested in any assignees or transferees of SECURED PARTY.

B. This Security Agreement will be governed by the laws of the State of New Hampshire.

IN WITNESS WHEREOF, the parties hereto have or have caused this Security Agreement to be executed in duplicate by them or their respective officers

duly authorized, and their seals affixed, the day and year first above written.

WITNESS:

Martin O. Jan

x Edith G. Carter

EDITH G. CARTER

DEBTOR

James D. Jan

INDIAN HEAD NATIONAL BANK OF NASHUA

By

Robert J. Nicoll S.V.P.

SECURED PARTY

COMMONWEALTH OF MASSACHUSETTS)

)SS.

COUNTY OF SUFFOLK)

On this 14th day of February, 1979, before me GARY M. BACKALER, the undersigned officer personally appeared Edith G. Carter known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that she executed the same for the purpose therein contained.

In witness whereof I hereunto set my hand and official seal.

Gary M. Backaler

Justice of the Peace/Notary Public

my commission expires:
Jan. 24, 1980

COMMONWEALTH OF MASSACHUSETTS)

)SS.

COUNTY OF SUFFOLK)

On this 14th day of February, 1979, the foregoing instrument was acknowledged before me by ROBERT J. NICOLL, ASST VCB (15) of Indian Head National Bank of Nashua, a federal banking corporation, on behalf of the corporation.

Gary M. Backaler

Justice of the Peace/Notary Public

my commission expires:
Jan. 24, 1980

Mailing Addresses:

EDITH G. CARTER
4 Elliott Street
Nashua, N.H. 03060

INDIAN HEAD NATIONAL BANK OF NASHUA
146 Main Street
Nashua, N.H. 03060

(2)EGC 1.7

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS, that EVANS TRANSPORTATION COMPANY, an Illinois corporation (Evans), in consideration of the sum of One Dollar (\$1) and other good and valuable consideration, receipt of which is hereby acknowledged, does hereby bargain, sell, convey, transfer and set over to:

Mrs. Edith Carter
4 Elliott Street
Nashua, New Hampshire 03060

hereinafter referred to as buyer

its successors and assigns all of that equipment which has been delivered by Evans to buyer and which are more particularly described as follows:

<u>DESCRIPTION</u>	<u>QUANTITY</u>	<u>REPORTING MARKS</u>
50 foot 6 inch seventy ton boxcars AAR Designation XM	10	NSL 155390-155399

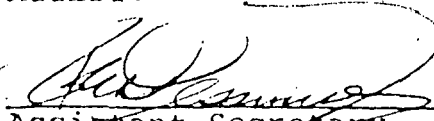
Evans, its successors and assigns, does hereby covenant and warrant to buyer its successors and assigns, that it is the lawful owner of the above described equipment and that it has good right and lawful authority to sell same, and that the equipment sold and transferred to buyer by this instrument is free and clear of, and Evans shall defend same against, all lawful interests, claims, liens, encumbrances and security interests of any nature whatsoever arising prior to delivery of the equipment to buyer except such as may arise by reason of (i) any agreement executed by buyer, or (ii) any act of buyer or any party claiming by or through Buyer. Evans shall assume all responsibility for and shall indemnify and hold buyer harmless from any and all damages, costs, royalties and claims arising out of all charges of infringement of United States patents which may be alleged to cover the equipment, excepting any such patents covering the manufacture, sale, or use in the equipment of designs, devices, parts, arrangements, specialties or equipment furnished or specified by buyer.

IN WITNESS WHEREOF, Evans has caused this instrument to be executed by its duly authorized officer and its corporate seal to be hereunto affixed and duly attested, the 14th day of February, 1979.

EVANS TRANSPORTATION COMPANY


Vice President

ATTEST:


Assistant Secretary

NOTE

\$345,100.00

Term: 5 Years, 2 Months

Nashua, New Hampshire

February 14, 1979

FOR VALUE RECEIVED, EDITH G. CARTER, the undersigned, promises to pay to INDIAN HEAD NATIONAL BANK OF NASHUA, Nashua, New Hampshire, or order, the principal sum of Three hundred forty-five thousand, One Hundred and No/100ths (\$345,100.00), Dollars, with interest on the unpaid principal balance thereof from date or from date of last payment of interest, whichever comes later, at a rate per annum equal to the prime rate of the First National Bank of Boston as from day to day expressed in terms of a percentage, plus three per cent (3%), also called prime plus three. The amount of interest that shall be due and payable on each due date as hereinafter set forth shall be computed as follows: Interest for each day during the period commencing from date of payment on which interest was last paid and ending with the due date of payment of interest next ensuing thereafter as set forth herein shall be computed by multiplying the unpaid balance as it exists on that day by a percentage determined by adding to the prime rate herein as fixed on that day three (3) points and dividing the result by 365. Each daily interest amount during the period as hereby determined shall be added together and the total thereof shall be the amount of interest due and payable on the said due date.

The first interest payment shall be due April 15, 1979, and the said interest then due and payable shall be for the period commencing with the date herewith and ending on April 14, 1979, and the said interest shall be computed in the same manner as hereinabove set forth. Commencing on July 15, 1979, the principal and interest inclusive shall be payable in quarterly installments (on July 15, October 15, January 15, and April 15 of each year) of Fifteen Thousand and No/100ths (\$15,000.00) Dollars. Each of the said payments of \$15,000.00 when received by the holder hereof shall be applied first to the payment of interest computed from the last date to which interest shall have been paid and also computed in the manner hereinabove set forth and the remainder in reduction of the principal amount herein. However, in no event shall any quarterly payment be less than the amount of interest due on the quarterly payment date. Any principal or interest remaining unpaid on April 15, 1984, shall be due and payable at that time.

In the event of any default in the payment ^{of any payment due under} of this Note ^{which remains} or the performance of any of the provisions of the Security Agreement of even date, the holder hereof shall be entitled to collect from the undersigned, in addition to unpaid principal and interest, all reasonable costs of collection, including, but not limited to, reasonable attorneys' fees.

All payments shall be made at the Bank's office in Nashua, New Hampshire or at such other place as the holder hereof may designate in writing.

This note may be prepared in whole or in part at any time without penalty.

EDITH G. CARTER

#23,816

EXHIBIT B TO SECURITY AGREEMENT DATED FEBRUARY 14, 1979

BETWEEN EDITH G. CARTER AND INHS OF N

unpaid for ten (10) days after it due date